

# **PART 5 – ADMINISTRATIVE DOCUMENTATION AND PROSPECTUS OVERVIEW**

**DEPARTMENT OF THE INTERIOR  
Bureau of Reclamation  
Mid-Pacific Region**

**PROPOSAL TO OPERATE**  
Water Based Recreation Support and Associated  
Hospitality Services and Facilities  
Within the Concession Areas at Lake Berryessa

Date: **June 7, 2007**

DUE DATE: All submittals and any modifications must be received at the following address:

**Bureau of Reclamation  
Central California Area Office  
7794 Folsom Dam Road  
Folsom, CA 95630-1799  
916-989-7211**

Federal Express Address: Same as Above

Official Contact Person: Pete Lucero  
Telephone: 707-966-2111 x106

No Later Than: **September 5, 2007**  
By Close Of Business: **4 p.m.**

## PROPOSAL FOR CONCESSION OPERATION

Bureau of Reclamation  
Mid Pacific Region  
Regional Director  
2800 Cottage Way  
Sacramento, CA 95825

Re: Proposal Submittal on Lake Berryessa Concession Opportunity

Dear **Mr. Rodgers**:

(I)(We) hereby offer to provide visitor services and facilities at Lake Berryessa in accordance with the opportunity presented in the Prospectus issued by the Bureau of Reclamation on February 33, 2007.

This proposal applies to **(my)(our)** interest in operating the concession area(s) known as **[in this location identify the specific operation or operations that this proposal applies to, i.e., Rancho Monticello only, or Rancho Monticello and Lake Berryessa Marina combined, etc. You may list up to all seven areas if you wish to have this proposal considered ONLY as a combined approach. If you wish to be considered for several different locations but not reviewed as a combined approach, then you need to submit individual proposals for each location].**

(I)(We) realize this is a unique concession Prospectus with seven individual concession opportunities being offered. (I)(We) have reviewed Section K of PART 3 in the Prospectus and further realize that offerors may make proposals for multiple individual concession operations or proposals for a combined group of concession operations or any mixture of the two. (I)(We) further realize that if any offerors are selected as the successful offeror on more than one individual location that Reclamation intends to combine those locations into a single concession contract.

As identified and requested in various sections of the Prospectus, this proposal identifies the number and type of facilities (**i.e., cabins, RV park, camping, marina, etc.**) (I)(We) intend to operate. Also identified is the proposed plan for upgrading current facilities **[if any]** and the associated development of new facilities **[if any]** to accomplish all aspects of the proposal. Furthermore, this proposal outlines **(my)(our)** qualifications and experience for developing and managing the proposed business. This proposal identifies the financial support for accomplishing the project and the financial projections of the business anticipated. The proposal also provides other requested support plans and documents.

(I)(We) are enclosing the required "PROPOSAL" which, by this reference, is made a part hereof.

(I)(We) certify that the information furnished herewith is true to the best of **(my)(our)** knowledge and belief.

(I)(We) agree to meet all the minimum requirements of the concession contract, specified in Part A of this PART 5 of the Prospectus. (I)(We) have provided all the mandatory information specified in the Prospectus.

(I)(We) certify in accordance with 43 CFR Part 12 regarding debarment, suspension, ineligibility, and voluntary exclusion the following:

None of the individuals or entities seeking participation in this concession contract is currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from a public transaction by a Federal department or agency.

Within the 3 years preceding submission of the proposal, none of the individuals or entities seeking participation in this concession contract has been convicted of or had a civil judgment rendered against him or her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction or for violation of Federal or State antitrust statutes or for commission of embezzlement, theft, forgery, bribery, falsification of records, making false statements, or receiving stolen property.

None of the individuals or entities seeking participation in this concession contract is presently indicted for or otherwise criminally or civilly charged by a Federal, State, or local unit of the Government with commission of any of the offenses.

The individuals or entities seeking participation in this concession contract have not had one or more public transactions (Federal, State, or local) terminated for cause or default within the 3-year period preceding the submission of the proposal.

**(I)(We)**, by submitting this proposal, hereby agree, if selected for award of the new concession contract:

1. To the minimum requirements of the Prospectus as identified in this proposal.
2. To complete the execution of the final concession contract within 60 working days after it is presented by Reclamation.
3. To commence operations under the new concession contract on the effective date of the new concession contract. The effective date of the new concession contract will be determined at the time of selection of a successful offeror based upon the unique proposal and the possibility of combining operations as determined by Reclamation.
4. To acquire the CIR [if any] of the existing concession contractor(s) under the terms outlined in this Prospectus and Public Law 96-375.
5. To resolve any dispute regarding the value of CIR [if any] of the existing concession contractor in accordance with the new concession contract and in accordance with the latest Reclamation Manual Policy and Directives and Standards.
6. To accept the amount paid to purchase the CIR held under the existing concession contract as the initial CIR value under the terms of the new concession contract and in accordance with the latest Reclamation Manual Policy and Directives and Standards.
7. To accept that if the compensation for CIR [if any] that is ultimately determined to be due the former concession contractor under the expiring contract differs from the CIR estimated by Reclamation, in the attached appraisal, for the purposes of this Prospectus (and assumed by the successful offeror/new concession contractor), an adjustment will be made in the franchise fee or other aspects of the contract that impact the financial obligations paid under the new concession contract so as not to affect the net financial impact on the new concession contractor.

By: \_\_\_\_\_

Date: \_\_\_\_\_  
Type or print name and date.

Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CERTIFICATE OF CORPORATE OFFEROR**

(Offerors who are not corporations should skip this certificate)

I, \_\_\_\_\_, certify that I am the \_\_\_\_\_ of the corporation named as offeror herein; that \_\_\_\_\_, who signed this proposal on behalf of the offeror, was then \_\_\_\_\_ of said corporation; that said proposal was duly signed for and in behalf of the corporation by authority of its governing body within the scope of its corporate powers.

By: \_\_\_\_\_

Date: \_\_\_\_\_  
Type or print name and date.

Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **DETAILED DISCUSSION AND DESCRIPTION OF THE PROPOSED CONCESSION FACILITIES AND SERVICES**

In line with the identified flexibility (Introduction to Prospectus, PART 3, and PART 4) of this concession opportunity, there is the inherent obligation on all offerors to be thorough and complete in the description of all aspects of the proposed facilities and services being introduced in your response to this Prospectus.

Unlike the normal concessions Prospectus situation where a nearly complete listing of required services and facilities are stipulated in the Prospectus and associated Draft Contract, this opportunity provides the basic objective, general principles and framework for concession operations identified in the ROD, specifically Alternative B modified with elements of Alternatives A, C and D plus mitigation. Your proposal will define your view for proposed development of the operations and facilities within those parameters. If you do not fully outline your proposal including location, numbers, and general architectural and thematic design, the rating panel will not make assumptions as to your intent.

Estimates within a certain spectrum are acceptable, i.e., we intend to build 35-45 rental cabins, there will be 60-75 RV sites with full hook-ups, 20-30 houseboats for rent depending upon eventual demand, 250-300 rental slips available, etc., and such estimates will not be devalued because they are not absolute. However, estimates that leave too much flexibility and interpretation for later decision, i.e., either 80 RV sites or 30 cabins in this area, rental slips may either be covered or uncovered, depending upon available funds, etc., are examples of estimates that will not compete well with offerors that are more definitive.

Similarly, an offeror that provides a meaningful description of design concepts, level of amenities, and expected building phases will be more competitive than a proposal that does not address these issues or does so in a less-than-definitive manner. Conceptual drawings and artistic renderings of the relationship between buildings and associated landscaping that provide a relationship of how facilities are laid out in relation to the lake and each other are also approaches that will be an asset in comparing various proposals.

As outlined in the Part B “Principle Factors” and the associated “Criteria” (B.2.d) of this PART 5, offerors also need to attempt to address how their proposal relates to the overall lake-wide integration of concession facilities as discussed in the ROD as follows:

*“Sec. III.1.a – Integration – To the extent practicable, Government and commercial operations at Lake Berryessa will be developed, implemented, and managed on an integrated, lake-wide basis to (1) provide the widest practical spectrum of recreation experience for the visiting public, ...”*

Each individual proposal needs to be very clear in regard to which existing locations are being addressed, especially if there is multiple concession locations covered. There also needs to be specific address of any facilities that are being proposed for ‘Annual Occupancy’ as described in the ROD in Sec. III.4.c and in Criterion B.2.d in this PART 5.

## **PART A**

**The minimum requirements for the new concession contract are identified in this Part A of the Prospectus. Unless the offeror in his or her proposal agrees to all the following minimum requirements, the proposal will be considered nonresponsive. By using the wording from the preceding letter (Proposal for Concession Operations) as presented and signing it as indicated the offeror is agreeing to all of the following stipulations that comprise Part A.**

(I)(We) agree to comply with all terms and conditions in the concession contract, including, without limitation, all applicable laws, environmental protection and conservation laws, and Reclamation Manual Policy and Directives and Standards.

(I)(We) agree to comply with all the terms and conditions specified in the concession contract, including its exhibits.

(I)(We) agree to charge rates for concession basic goods and services during the term of the concession contract that are comparable to rates charged for similar goods and services at comparable facilities in the region. These rates are subject to approval by Reclamation.

(I)(We) agree to accept the concession facilities (if any) and any Government facilities or personal property assigned to the concession as required by the concession contract, “as is.”

(I)(We) agree to carry out the Concession Facilities Improvement Program identified in our proposal according to the stipulations outlined in the Prospectus and transferred to an eventual final concession contract, including but not limited to, exhibit H and the specified time frame(s) established by Reclamation, without condition.

(I)(We) agree to make deposits into and manage a Reserve Account for Facilities Improvement (RAFI) or a substitute program accepted by Reclamation that will provide the same assurances for major maintenance described in the Prospectus and that will ultimately become a condition of the concession contract if the proposal is successful and in exhibit K as it now exists, including but not limited to, (1) at the start of the concession contract term, depositing into the RAFI \$10,000 to serve as an initial working balance that will offset contractually required RAFI payments until this \$10,000 is covered and (2) Assuming the administrative responsibilities of the account.

(I)(We) agree to implement the Maintenance Plan (I)(We) have presented in (My)(Our) proposal addressing all the elements identified in the concession contract Section 4 – Land and Facilities Used in the Operation, and Exhibit F: Maintenance Plan, without condition. (I)(We) realize that because of the unique parameters of this Prospectus and concession opportunity, that Reclamation retains the right to make final adjustments to the proposed maintenance plan in advance of the concession contracts execution.

(I)(We) agree to implement the Operating Plan (I)(We) have presented in (My)(Our) proposal addressing all the elements identified in the concession contract Section 4 – Land and Facilities Used in the Operation, and Exhibit G: Operating Plan, without condition. (I)(We) realize that because of the unique parameters of this Prospectus and concession opportunity, that Reclamation retains the right to make final adjustments to the proposed Operating Plan in advance of the concession contracts execution.

(I)(We) agree to develop and implement an effective Risk Management Program (health and safety program) according to the requirements of the concession contract and the information in exhibit M for such programs.

(I)(We) agree to develop and implement an effective Environmental Management Program (EMP) according to the requirements of the concession contract in Section 3 and Exhibit O for such programs.

(I)(We) agree to develop a public liability and property insurance package that fulfills the identified minimum parameters as described in Section 7 of the Draft Concession Contract and Exhibit I: Insurance requirements.

(I)(We) agree to comply with the specifics and philosophy identified in Reclamation's Concession Directives and Standards (LND 04-01 Sec. 3.B.8) that reads, "Facilities must be harmonious in form, line, color, and texture with the surrounding landscape".

(I)(We) agree to implement Reclamation annual financial forms and reporting requirements identified in the concession contract Section 8 – Accounting Records and Reports, and Exhibit J: Financial Reporting Forms, without condition and without modification.

(I)(We) agree to implement an equal opportunity program and comply with the terms of the equal opportunity and handicapped access requirements identified in Exhibit A of the concession contract.

## **PART B**

### **Proposal Rating Approach and Review Panel**

Rating of proposals in response to this prospectus will be accomplished in compliance with Reclamations Concessions Management Guidelines and specifically “Subchapter 1-7 – Evaluation of Proposals - Review Panel Instructions” of those Guidelines.

All Criterion scoring will be based on a determination by the rating panel of which proposal on any particular location provides the best response to the specific individual Criteria. The proposal that is identified as having provided the best response in line with the ROD, FEIS and this Prospectus will get the maximum number of points for that specific Criteria. For example the ‘Criterion B1 (b) Meeting Environmental Standards’ has an opportunity for ‘5 Value Points’, and if Reclamation was evaluating proposals on Putah Creek they would give the offeror judged to have the best response to this Criterion the maximum of 5 points. Other offerors would be rated as a percentage of the best rated criterion and would receive a pro-rata score based upon that percentage. It is possible to have one or more offerors at the same score (high, low or in between) if their proposals are similar or essentially of the same caliber. It is also possible to have a situation where no proposal is effectively responsive and all would receive zero. A score of zero on an individual criterion DOES NOT result in disqualification. However, a score of zero for an entire PRINCIPAL FACTOR indicates a non-responsive proposal and would result in disqualification of any offeror receiving such a rating.

This approach will be taken for each of the numerous Criteria outlined within the following Principal Factors for each of the seven concession locations under competition at Lake Berryessa.

Offerors should read through the following five (5) Principal Factors and the associated Criteria and consider how their proposals will respond to those Factors and Criteria.

The skill and ability to make these scoring determinations will be within the capabilities of the individuals on the eventual rating panel. This is a complex process that can not be accomplished by just filling in the blanks on a score sheet and it requires individuals with many years of experience in understanding intricate proposals and how they apply to the directions provided in the prospectus. The panel will be required to compare differing proposals and make determinations, based upon their expertise, as to those proposals that represent the most responsive package and most likely to fulfill the needs of the public while still providing a reasonable opportunity for profit to an eventual new concessionaire.

The degree of responsiveness and determination of the best proposal on individual criteria and the eventual best overall proposals will be accomplished by a select group of Federal Government employees who have in depth knowledge, experience and background in concessions and recreation hospitality management activities on Public Federal Lands. Most of the members of the panel will have served on previous concession panels comparing competing proposals, identifying strengths and weaknesses of individual proposals and making a recommendation to a selecting official. The rating panel for this Lake Berryessa concession

opportunity will have representatives from multiple land management agencies with responsibilities for concessions management. The rating panel will discuss in detail all aspects of the various proposals and the responses to the several criterion and other requirements of the prospectus presented by offerors. They will reach a group consensus on all ratings and the final recommendations will reflect this consensus. The core individuals of the panel are all voting members in making the final recommendations. One of the voting members of the panel will be the chairperson. There will be other participants on the rating panel that are present as 'Subject Matter Experts' (SME's) to assist the voting members in particular complex areas of the prospectus or to provide local area clarification or facts that may be necessary to fully analyze the proposals. SME's may or may not be Federal Employees and for the most part will be non-voting members only present for clarification. Some likely SME involvement could include the following:

- A Certified Public Accountant or other qualified entity to review and evaluate the business and financial projections of all of the proposals. This may be a voting member if a qualified Federal Employee is appointed to this position.
- One or more individuals very knowledgeable about the current operations both public and private at Lake Berryessa. It is likely that this would be filled by a person(s) currently employed at Lake Berryessa, Central California Area Office or the Mid Pacific Regional Office with direct responsibilities at Lake Berryessa.
- One or more individuals with a strong management background in all aspects of concessions management, prospectus development, selection panels, and able to provide in depth discussion considerations on areas of complexity. This individual(s) may be a contracted expert not currently a federal employee.
- An attorney familiar with the challenges of public land administration and knowledge regarding issues similar to concession contracts. This person may not be present for the hour by hour and day by day review taking place but will be available to review any and all matters concerning facts of law and other legal questions or possible anomalies.
- Part time consultation as necessary with federal or non-federal experts in the fields of marina development, civil engineering, environmental engineering, hospitality management, contract law, NEPA specialist, etc.

It is possible that the work of the rating panel could take several weeks depending upon the number of proposals received in conjunction with this prospectus and the requirement to complete all analysis and review for the selection of new operators for the seven concession areas at Lake Berryessa. Once the panel has completed their work they will make written recommendations to the selecting official who in this case is the Mid Pacific Regional Director. It is anticipated that after reviewing the work of the panel and asking any necessary clarifying questions that the Regional Director will make an announcement as to the winning offerors within a short period of time following receipt of the panel recommendations.

There will then be a period of time while Reclamation discusses some of the final points of negotiation with the indicated winning offerors. Once all of the contractual points are agreed upon Reclamation and the new concessionaire(s) will sign new concession contracts with effective dates that follow the expiration dates of the existing contracts.

### **Direction to Offerors**

**Offerors must provide the following information for their proposals to (1) qualify for consideration and (2) be evaluated with respect to other qualifying competitive proposals submitted. A proposal will not qualify for further consideration if it receives an unsatisfactory rating for any one of the following five (5) Principal Factors.**

## **PRINCIPAL FACTORS**

There is the possibility for offerors to score as high as 156 ‘Value Points’ in this Part B. Those points are outlined on the following pages under each of the 5 ‘Principal Factors’ and their associated ‘Criteria’. In the process of evaluating and scoring the following 5 ‘Principal Factors’ and the individual ‘Criteria’ it is possible in all instances for offerors to be awarded the maximum number of points indicated or any amount down to zero depending upon how well their proposal is judged in addressing the requested information.

*For Example: Criterion B1(a) [following] is worth a maximum of 10 ‘Value Points’. In evaluating three different proposals for Spanish Flat, Reclamation may give ‘Offeror A’ 10 points, ‘Offeror B’ 5 points and ‘Offeror C’ 3 points reflecting the differing strength of their responses.*

To get the maximum number of points for any criterion (in the above example 10 is maximum) an offeror's proposal would reflect the strongest response from among all other offerors. Similarly to get a zero a response would likely reflect little or no understanding and/or commitment to the outlined criterion.

### **PRINCIPAL FACTOR 1**

#### **THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES OF PRESERVING AND PROTECTING THE EXTENDED ENVIRONMENT AND THE SPECIFIC RESOURCES OF THE LAKE BERRYESSA AREA**

##### **Criterion B1 (a) Environmental Management Program (Value 10 Pts.)**

Reclamation is committed to the protection of the natural and cultural resources of the area. Submit with your offer a proposed Environmental Management Program (EMP) addressing the elements identified below and any others you believe are appropriate. The EMP should demonstrate your understanding of environmental sensitivity as it applies to the hospitality industry in natural areas, the specific site location, and any potential or existing environmental issues. The EMP should be tailored for the specific needs of the area of operation and should not be a generic or standardized EMP. For example, your EMP might include specific Best Management Practices\* that you will apply in your operation (including the provision of visitor services, accessibility, construction, maintenance, and acquisition) to further the protection, conservation, and preservation of the area and its resources. This EMP, upon approval by Reclamation, will become Exhibit O to the concession contract.

*\*An acceptable definition of Best Management Practices as it pertains to this section - A practice or combination of practices that provide a very effective, economical, and practicable means of controlling point and non-point pollutants at levels compatible with environmental quality goals.*

1. The EMP shall account for all activities with potential environmental impacts conducted by the concession contractor or to which the concession contractor contributes. The scope and complexity of the EMP may vary according to the type, size, and number of concession contractor activities (i.e. lodging, F&B, marina, retail etc.) under this concession contract.
2. The EMP shall include, but not be limited to, the following elements:
  - a. Goals and Targets.—The EMP shall identify environmental goals established by the concession contractor consistent with all EMP objectives as stated in the concession contract. The EMP shall also identify specific targets (i.e., measurable results and schedules) to achieve these goals. The concession contractor shall conduct an audit to identify environmental impacts resulting from concession contractor activities and develop, as part of the EMP, operating procedures that will reduce those impacts.
  - b. International Organization for Standardization (ISO) 14000 Certification — The concession contractor will become ISO 14000 certified by (identify a date that you believe is attainable for your proposal). The ISO 14000 certification represents a level of commitment to the environment regarding efforts to (1) minimize harmful effects on the environment caused by its business activities and (2) achieve continual improvement of its environmental performance. Additional information regarding this certification and program description may be seen at <http://www.iso.org/iso/en/prods-services/otherpubs/iso14000/index.html>. There is a level of acceptable redundancy in pursuing and attaining this certification. Many of the other elements of this criterion also fall into line with the requirements of the ISO 14000 certification; however, the willingness to commit to this program displays an advanced level of commitment to the environment.
  - c. Responsibilities and Accountability — The EMP shall identify a key employee with the overall environmental responsibility for the proposed operation at Lake Berryessa and identify where that person falls within the management hierarchy. The EMP will also identify environmental responsibilities for all levels of concession contractor employees and contractors. The EMP shall include procedures for the concession contractor to implement the evaluation of employee and contractor performance of these environmental responsibilities.
  - d. Reporting — The EMP shall describe and implement a system for reporting environmental information on a routine and emergency basis, including providing reports to the area manager under the concession contract.
  - e. Documentation — The EMP shall identify plans, procedures, manuals, and other documentation maintained by the concession contractor to meet the EMP objectives.
  - f. Documentation Control and Information Management System — The EMP shall describe and implement document control and information management systems to maintain knowledge of applicable laws and practices. In addition, the EMP shall identify how the concession contractor will manage environmental information, including without limitation, plans, permits, certifications, reports, and correspondence.

- g. Monitoring, Measurement, and Corrective Action — The EMP shall describe how the concession contractor will comply with the EMP and how the concession contractor will self-assess its performance under the EMP, at least annually, in a manner consistent with Reclamation standards. The self-assessment should ensure the concession contractor's conformance with the EMP objectives and measure performance against environmental goals and targets. The EMP shall also describe procedures to be taken by the concession contractor to correct any deficiencies identified by the self-assessment, Reclamation, other agencies, or the general public.
  - h. Communication — The EMP shall describe how the environmental policy, goals, targets, responsibilities, and procedures will be communicated throughout the concession contractor's organization.
  - i. Training — The EMP shall describe the environmental training program for the concession contractor, including identification of staff to be trained, training subjects, frequency of training, and how training will be documented.
  - j. Pest Management – The EMP shall describe how the concession contractor proposes to address pest infestations in facilities and lands within their management area.
3. Other specific issues to be addressed in the elements of the offeror's EMP are:
- a. Hazardous materials and waste management. How will you reduce or eliminate the use of hazardous materials in your operations, including but not limited to, petroleum-based products and paint thinners?
  - b. Assimilation of environmental protection/awareness concepts and practices into all operations that deal directly with the general public/customers that either directly or subliminally educates them on the need and value of an integrated environmental approach.
  - c. Solid waste management (including recycling and composting where appropriate).
  - d. Water and energy conservation. (What steps will you take to practice water and energy conservation in daily operations and in the design, construction, and rehabilitation of facilities? How do you propose to recycle antifreeze and motor oil? What other recycling efforts will you use?)
  - e. Fuel storage and delivery systems. (How will you meet all applicable requirements including underground and aboveground storage?)
  - f. Emergency planning, training, and response.
  - g. Pollution prevention and reduction of toxins. (The reduction of pollution and the use of toxic products in the concession area, within the constraints of U.S. Public Health Service codes, is an objective of Reclamation. One method of reducing pollution and the use of toxic products that has been adopted by Reclamation is the use of environmentally preferable cleaning products for custodial, housekeeping, and fleet operations. Most of the products used for these purposes are naturally derived from renewable resources. Products that are toxic, skin irritants, flammable, corrosive, non-biodegradable, petroleum and hydrocarbons, ozone-depleting, chlorinated compounds, or artificial dyes and fragrances should be avoided.)

- 1) Provide a narrative of your commitment to this important objective and your specific plans for reducing or eliminating the use of toxic products.
  - 2) Identify new products intended for use and the products they will replace – provide schedule of replacements – estimate annual volume of new products and discontinued product(s).
- h. Protection of water quality and wastewater treatment.
  - i. Protection of night skies from light pollution.
  - j. Reduction of noise and protection of natural quiet.
  - k. Sustainable design and construction practices, i.e., solar energy, wind, etc.
  - l. Use of native species in landscaping and the associated controls and selection process for use of non-native species in instances where native specie application will not suffice.
  - m. Environmental mitigation.
  - n. Best Management Practices to be employed to demonstrate responsible stewardship of the environment and use of the best available technology to protect the public’s natural resources.
  - o. Use of alternative fuels. (What alternative fuels will be used in your operation?)
  - p. Waste reduction (disposable products). (A large volume of disposable products is used in food service and other operations. How will you mitigate, eliminate or significantly reduce the use of these products?)
  - q. Procurement practices. (What procurement practices will be used to ensure that additional products will be recycled by operation and by the visiting public [green procurement]?)

Offerors may get some benefit from also reviewing Section 3 of the Draft Concession Contract (PART 6 of this Prospectus) and PART 7.14 of this Prospectus.

**Criterion B1 (b) Meeting Environmental Standards (Value 5 Pts.)**

Discuss how you intend to manage and implement the direct or assimilated environmental management standards of Reclamation. Please include a description of how your experience and qualifications will enable you to address environmental issues that may exist or may arise at the concession operation. If you intend to assign an environmental program manager, please identify him or her. Provide a brief description of his or her qualifications and past experience with regard to managing an environmental program and/or the type of training and preparation he/she will receive in support of his/her responsibilities. If you have not already done so in previous sections, please explain how you intend to implement various aspects of the EMP.

It is important in the response to this overall PRINCIPAL FACTOR regarding protection of the environment and the integrated resources of the Lake Berryessa area that offerors develop responses that pragmatically embrace an environmental commitment to operating their proposed business in line with the frequently heard environmental philosophy of “Think Globally, Act Locally.” This concept and the

required programs to be truly effective is an important factor in the evaluation of proposals and the selection of the next concession contractor(s) at Lake Berryessa. Respondents that may be selected based in part on their response here and then do not follow through on their EMP proposals will be found in default of any eventual contract and that contract terminated.

Identify any environmental deficiencies for which you or your company have been issued a formal notice of deficiency or other notification requiring correction where the identified correction has not been accomplished and is still pending. Identified issues may or may not result in fewer points depending upon how Reclamation evaluates the level of seriousness of the specific issue and the offerors past environmental record and commitment to correct this type of deficiency. As a part of the proposal review process Reclamation may make inquiries of various agencies that oversee environmental requirements to determine past and present performance and promptness of corrections.

Identify how you intend to meet your NEPA Compliance responsibilities during development of new facilities and programs. A review of the Bureau of Reclamation Concession Management Guidelines “Chapter 12 - Environmental Protection & Pollution Prevention” on the Lake Berryessa website at <http://www.usbr.gov/mp/berryessa/prospectus.html> outlines basic responsibilities whether being accomplished by the agency or in this situation by the concession contractor in areas assigned for concession use.

**Criterion B1 (c) Environmental Awards and/or Recognized Environmental Performance (Value 3 Pts.)**

Describe and include copies of any environmental management awards or recognition you have received from known entities that periodically or annually recognize various businesses with an environmental award or other similar positive recognition.

## PRINCIPAL FACTOR 2

### THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES OF PROVIDING QUALITY\* VISITOR SERVICES.

(Total Available Value Points for Principal Factor #2 = 58)

*QUALITY – It is important for all offerors to understand Reclamation’s intent and definition of the term ‘Quality’ as used in this Principal Factor. It does not mean expensive, lavish, or significant amenities that otherwise become unattainable based upon price to average users. A budget brand motel (Motel 6 or Super 8 ) can be ‘quality’ when properly managed with attention to detail. A luxury brand hotel (Hilton, Sheraton) can fail to meet ‘quality’ expectations if bathrooms are not clean, facilities are not properly maintained, or employees are improperly trained or inattentive. The customers’ expectations of the luxuriousness of facilities, associated rates, and amenities is different between a Motel 6 and a Hilton Hotel or between a Denny’s restaurant and a Morton’s Steakhouse, but their expectation of the business being appropriately well managed, attentive, clean, and a positive (although differing) experience are similar. A ‘quality’ operation as identified here would fulfill or exceed the expectations of a customer’s anticipated level of experience and similarly enhance their visit to Lake Berryessa.*

#### **Criterion B2 (a) Maintenance Plan (Value 5 Pts.)**

The offeror must develop and propose a Maintenance Plan that meets the standards described in the Draft Concession Contract and Exhibit F (Maintenance Plan) that effectively responds directly to the unique operation proposed by the offeror in response to this Prospectus. The concession contract requires the new concession contractor to maintain the facilities and assigned lands to the satisfaction of Reclamation and in accordance with the eventual final Maintenance Plan attached to the concession contract. The Maintenance Plan as drafted and submitted by the offeror will become Exhibit F to a final contract for any successful offeror. Reclamation and a successful offeror will negotiate the final content and structure of the Maintenance Plan with Reclamation having the final determination on any areas of disagreement.

#### **Criterion B2 (b) Operating Plan (Value 5 Pts.)**

The offeror must develop and propose an Operating Plan that meets the standards described in the Draft Concession Contract (Sec. 2.B) and Exhibit G (Operating Plan). Exhibit G of PART 6 in this Prospectus can serve as a guide or template in developing an Operating Plan that effectively responds directly to the unique operation proposed by the offeror in response to this Prospectus. The concession contract requires the new concession contractor to operate in a manner that responds to the reasonable expectations and needs of visitors to Lake Berryessa.

The Operating Plan as drafted and submitted by the offeror in response to this Prospectus will become Exhibit G to a final contract for any successful offeror. Reclamation and a successful offeror will negotiate the final content and structure of the Operating Plan with Reclamation having the final determination on any areas of disagreement.

### **Criterion B2 (c) Risk Management Program (Value 5 Pts.)**

Submit a Risk Management Program tailored to your unique proposal and proposed area(s) of operation that addresses the elements of an effective Risk Management Program (health and safety program), according to the requirements of the Draft Concession Contract for such a program. In preparing the program, consider the relevance of each of the following:

- Management's policy statement, duties, employees' responsibilities, and administration.
- Inspection and abatement.
- Accident investigation and reporting.
- Accident prevention.
- Safety and health organization.
- Training levels for various groups of employees and management.
- Emergency procedures.

The Risk Management Program as drafted and submitted by the offeror in response to this Prospectus will become Exhibit M to a final contract for any successful offeror. Reclamation and a successful offeror will negotiate the final content and structure of the Risk Management Program with Reclamation having the final determination on any areas of disagreement.

***Introductory Explanation to B2(d)*** - Most concession Prospectuses and the associated Draft Concession Contracts issued by Reclamation and other Federal land management agencies specify some services to be **'Required'** and others that are **'Authorized'** or optional. The **Required Services** are not optional, and a offeror must indicate full agreement to provide such services, but they may make choices in their proposal package among any indicated **Authorized Services** as to whether to offer them or not; however, the nature of this Prospectus permits offerors to personally identify in their proposal ALL of the services they wish to provide, and the Prospectus does not make any specific requirements or categorization between Required and Authorized Services.

There are fairly broad parameters provided by the recent planning effort and the ROD that outline business types acceptable for the future of Lake Berryessa. The range of likely services include cabins, motels, cottages, other lodging, food & beverage, marinas, launch ramps, personal watercraft, motorboat and houseboat rentals, retail sales, camping, RV parks, etc., and there may be other types of business that is associated and appropriate including the concept of 'Annual Occupancy' as outlined in the ROD and below in this section. **Reclamation recognizes, as should all offerors, that the various proposals submitted in response to this Prospectus may represent a wide range of differing combinations of facilities and services proposed for each individual concession location at Lake Berryessa.**

As outlined earlier in this PART 5 all offerors need to recognize the obligation for them to fully describe the details of their proposed operation to assure adequate consideration during the proposal evaluation process. Meeting that obligation will be most apparent in response to this Criterion (B.2.d).

### **Criterion B2 (d) Proposed (Required) Services (Value 35 Pts.)**

The response to this Criterion B2(d) is where the offeror will specifically identify their proposed operations. To capture as many of the available 'Value Points' as possible offerors should be thorough and complete in outlining their proposed operations to include numbers of building and facilities, conceptual design drawings, proposed operating seasons, level and types of landscaping, capacities, and all other types of details that will assist the rating panel in adequately judging the proposal.

For the sake of the Prospectus, all facilities and services proposed by an offeror will be viewed as **REQUIRED SERVICES** in any eventual contract derived from a successful proposal. In evaluating these differing proposals, Reclamation will make determinations regarding which of the proposals provide the most responsive business model that will best serve the public and still provide a reasonable opportunity for a profit to the prospective new concession contractors and that respond most effectively to the other requirements outlined in this Prospectus and the ROD. An important aspect of the evaluation and rating process by Reclamation on this Criterion B2 (d) will be how well the proposal recognizes the need for and addresses facility and service integration as it applies to other offerors and the eventual overall mix of services and facilities throughout all seven Lake Berryessa concession locations.

The ROD identified implementation of Alternative B modified with elements of Alternatives A, C and D plus mitigation. The ROD requires that "final development plans will be consistent with the framework for Concession Operations in Alternative B" with certain modifications "subject to site-specific environmental analysis as appropriate". Alternative B as modified is therefore a framework for future

development, operation and maintenance of concession operations at Lake Berryessa. Offerors are expected to apply their knowledge and experience to expand, modify or exchange the types and level of services within each concession area to best meet Reclamation’s overall objective of expanding recreation management at Lake Berryessa to better serve the short term visitor.

In addition, the ROD discusses the integration aspect of ‘Government and Concession Operations’ as follows:

*“Sec. III.1.a – Integration – To the extent practicable, Government and commercial operations at Lake Berryessa will be developed, implemented, and managed on an integrated, lake-wide basis to (1) provide the widest practical spectrum of recreation experience for the visiting public, ...”*

A final mix at Lake Berryessa that is well integrated would not result in the same core business models duplicated at each location. For example if each of the seven locations feature annual occupancy lodging rentals, short- term cabins, and a marina, because of the perceived profit levels of those services and facilities but without an apparent desire to provide RV Parks or camping, then the mix/integration would not be as desirable as a different business model that is able to focus on the lakewide combined business structure at Lake Berryessa. Offerors that are unable to display any or only a partial integrated lakewide business mix will still receive applicable ‘value points’ in relation to this Criterion B2 (d) but offerors able to propose a more thorough approach for lakewide business mix will be rated higher.

Although it is not prohibited for each of the seven concession areas being addressed by this Prospectus to all have the same combination of basic facilities and services for the public Reclamation perceives such an approach as less desirable and not as commercially efficient as a more integrated business mix.

The Record of Decision for Future Recreation Use and Operations of Lake Berryessa outlines the option for offerors to propose designated facilities for ‘annual occupancy.’ In the ROD, an opportunity for ‘Annual Occupancy’ is provided in Section 4.c of the ROD as follows:

*“Annual occupancy on Federal lands at Lake Berryessa may be permitted **only (1) where necessary to sustain the economic viability of the concession enterprise as demonstrated through the competitive contracting process and (2) where such occupancy does not exclude or unnecessarily constrain or restrict construction, installation, operation, or enjoyment by the general public of short-term recreation use facilities on Federal lands at the lake (Lake Berryessa). The Prospectus will provide guidance and direction for demonstrating the need for annual occupancy.**” (Bold emphasis added)*

The opportunity for Annual Occupancy is provided solely to increase the economic viability for offerors. It remains preferable to Reclamation to have visitor services and facilities that focus on traditional short-term visitor needs without the requirement for the financial enhancement of Annual Occupancy facilities.

In evaluating and rating the proposals in regard to this (B.2.d) Criterion, higher points will be scored by offerors who indicate either no proposed Annual Occupancy or a lower level of Annual Occupancy versus offerors who propose more significant development of facilities that target this type of use. This is a part of the ‘guidance’ to offerors identified in the last sentence from the above section of the ROD. The remainder of an offeror’s demonstration for the need to offer Annual Occupancy should be outlined in the financial projections of the pro forma portion of the proposal.

*Multiple or Combined Proposals to be Rated in Separate Components - A single proposal on one property by an offeror is the least complex approach to submit a proposal to this prospectus. An example of such a proposal would address just Spanish Flat or any other single property by either an individual or*

a company. To effectively evaluate and compare this proposal among all others who have made any type of proposal (whether single or combined) for Spanish Flat, Reclamation has determined to treat even combined proposals in a manner that breaks out their individual location components (i.e. Spanish Flat in this instance) in a manner that compares them to all other proposals on the same property, i.e. Spanish Flat.

Credit Given to Multiple/Combined Offerors for Overall Impact - Reclamation will take into consideration particular services and facilities proposed by offerors for multiple locations other than just the one being evaluated, if it appears that the overall public needs for visitors to Lake Berryessa will be adequately met and addressed by a combined proposal even if a particular service or facility (i.e. RV Park Facilities) is not addressed at the specific property in question. This is especially applicable when the service or facility in question **IS** addressed by any other offerors, single or combined, on the location (i.e. Spanish Flat) in question (Please see Sec. K.2 in PART 3 of this Prospectus). This is a reasonable and valid consideration because one of the benefits of offering on multiple properties is the opportunity for the offeror to consider the economy of scale and the benefits of featuring different services and facilities at differing locations. This is a benefit to those competing for more than a single location and Reclamation intends to recognize their overall approach and innovation in providing services to the public if they have also been responsive to the ROD, FEIS and this Prospectus.

**Example** - The following is an example of how the complex actions as described in the preceding two paragraphs would be conducted during an evaluation of proposals by Reclamations review panel:

Offeror A is submitting a **single** proposal and that proposal is only for Spanish Flat. They propose the following for Spanish Flat:

- 75 site campground without utility hook-ups (+ other associated amenities)
- 30 site RV Park with full hook-ups (+ other associated amenities)
- 20 short term rental cabins
- 15 long term occupancy cabins
- A small sit down café
- Retail facility featuring boating, fishing, camping, groceries, sundries, gifts etc.
- Marina of approximately the current size and features
- 5 Houseboat Rentals
- Day use area (picnic & swim area)

Offeror B is submitting 4 **separate** individual proposals, one each for Spanish Flat, Rancho Monticello, Steele Park and Pleasure Cove. The proposal for Spanish Flat includes the following:

- 50 site campground without utility hook-ups (+ other associated amenities)
- 50 site RV Park with full hook-ups (+ other associated amenities)
- 30 short term rental cabins
- 5 long term occupancy cabins
- A small sit down café
- Retail facility featuring boating, fishing, camping, groceries, sundries, gifts etc.
- Marina of approximately the current size and features
- No Houseboat Rentals
- Day use area (picnic & swim area)

Offeror C is submitting a **combined** proposal for 5 locations (Markley Cove, Pleasure Cove, Spanish Flat, Lake Berryessa Marina, and Putah Creek). The portion of the proposal for Spanish Flat includes the following:

- 100 site campground without utility hook-ups (+ other associated amenities)
- 50 site RV Park with full hook-ups (+ other associated amenities)

- No short term rental cabins
- No long term occupancy cabins
- A small sit down café
- Retail facility featuring boating, fishing, camping, groceries, sundries, gifts etc.
- Marina of approximately the current size and features
- No Houseboat Rentals
- Day use area (picnic & swim area)

*This example is fairly simplistic and lacks detail that would be present in an actual proposal and it is likely that there would be other potential components not shown here. However, for the sake of an example this illustrates, in its simplicity, the process. In comparing the proposals the process could go as follows:*

- *Campgrounds – A, B, and C all propose a campground but of differing sizes. Since both B and C have other locations addressed in other proposals or in a combined proposal the evaluation panel would take a look at how Campgrounds are addressed in those other locations. On the surface B seems to have the least commitment to campgrounds with only 50 sites but they may also have substantial sites on some of their other locations that adequately address the overall need. It appears here that C has the strongest proposal in regard to just the campground portion again depending upon how they address campground facilities in the other areas for which they have submitted proposals.*
- *RV Park – A similar review to the preceding on campgrounds indicates that B & C are likely the strongest proposals here but to finalize that determination we would need to look at how they address RV Parks in the other locations they are competing on. It may be that B has suggested no other RV Park areas in any of the other locations and if that is the case they would not be rated as high here as C if C had also indicated additional well balanced RV Park features at other locations. (It is apparent when reviewing C's proposal that they are focusing on creating a Spanish Flat operation that has these operations as the core of business without other types of overnight facilities.)*
- *Short Term Rental Cabins – A has 20 cabins, B has 30 cabins and C has none proposed. If Reclamation has indicated through the ROD and FEIS that Spanish Flat is a good potential location for Short Term Rental Cabins then B would seem to have the most responsive proposal here. However, it is necessary for the review panel to also check the other areas proposed upon by B and C to determine if they have addressed this type of use elsewhere. It is possible that C has substantially addressed this type of cabin use at other areas in a manner that fully delivers a good cabin package on a lakewide basis. Also of importance in the review panel evaluation of these and other facilities is how well they are designed, sited and fit into the environment and how their décor and general ambiance will add to the experience and the expectations of the customers.*
- *Long Term Occupancy (LTO) Cabins – A has 15 LTO cabins, B has 5 and C has none proposed. Remember the ROD only proposed the inclusion of Long Term Occupancy if it was needed to assure economic feasibility. A rating is not improved by including LTO facilities and it is preferred by Reclamation that they are at a minimum or none at all. It appears here that C would have the most responsive proposal, but that is only true if a check of the other locations for which they have submitted a proposal also indicate no LTO cabins or at least fewer overall than A & B.*
- *Small Sit Down Café – On the surface these all seem equal and it very well may be but a closer review of the particulars of the individual café's is necessary. Things such as size, type of proposed menu, proposed operating hours, location, décor, etc. could separate them from one another.*

- Retail Facility – This is much the same as the café in regards to how it appears and how it would be further examined.
- Marina – Again the same as the last two. Although it is important for all facilities the degree to which a marina facility is environmentally sensitive to the protection of the water resources from pollution or operational debris will receive critical review by the review panel.
- Houseboat Rentals – Only A has proposed houseboat rentals for Spanish Flat. It is likely that B and C have addressed them at other locations but if not then A has at least recognized the need for a houseboat rental operation at Lake Berryessa.
- Day Use Area – These seem similar but again once a review of the particulars proposed for Spanish Flat and the other components proposed for other locations by B & C there will probably be some type of separation between the three offerors.

*It should be apparent in this significant Criterion that it is not likely, due to the complexity of proposals, for many or even any ratings to come out the same. Some will be stronger in certain components while others will shine elsewhere. As outlined earlier to all offerors this flexible opportunity increases the complexity and requires Reclamation to often make determinations between two or more proposals that present completely different business models. In those instances Reclamation will make their ratings based upon the proposals that best address the spirit of the ROD and otherwise appear to have the most effective business approach for serving the short term public needs also outlined in the ROD and FEIS.*

*As outlined previously in this prospectus it is not expected or even desired by Reclamation for every location to have every possible service or facility. For instance a campground or other significant land based facilities at Markley Cove is not likely because of the topography. Houseboat rentals at some locations are not a good match because of the aspect of the lake. Furthermore trying to include too much at each location is not in line with the intent of the ROD or the expectation of the traveling public.*

*The most responsive proposal will not necessarily be the one that has the most sites or greatest number of proposed facilities. Although an adequate number of expected facilities is important too many will also detract from the ambience, experience and the opportunity for the concessionaire to realize a profit. This balance between ‘adequate and excessive’ is one of the factors, in this prospectus, that makes this criterion so valuable and worth so many potential points. Offerors will exercise their creativity as well as their sense of necessary and appropriate business levels in describing their proposed models.*

**Final Notes to this B.2.d Criterion** – It is apparent in the review of all the Criteria within this Part B upon which offerors will be rated that the preceding B.2.d Criterion is the single most significant based upon the number of possible ‘Value Points’ (35). This is due to the unique opportunity presented by this Prospectus that invites and permits offerors to stipulate exactly how they propose to conduct a concession business (within the flexible parameters of the EIS and ROD). Traditional Prospectus documents and concession business opportunities would specifically identify the operational boundaries of the business instead of permitting concessionaires to propose their own boundaries. Therefore the actual description of the business model proposed by individual offerors is extremely critical to the selection process and deserving of substantial value.

This is the Criterion that evaluates the core aspects of the individual offeror proposals. As stipulated elsewhere in this Prospectus, all offerors acknowledge by their submittal that the individual proposals evaluated through this Criterion will likely display significant differences and that proposal evaluations and ultimate selections will be a factor of comparing some similar and some dissimilar components. Reclamation will make the ultimate determination of assigning value points for this Criterion B.2.d. and others based in part upon; the individual offeror’s overall approach to effectively addressing the primary focus areas of the EIS and ROD; and determination of the proposal(s) that propose the best mix of services and facilities to the general public and Reclamation.

**Important Re: Markley Cove** – Any offerors whose individual or combined proposal includes Markley Cove must pay special attention to the ROD to assure that the required components are included. If a bid is received that does not adhere to the minimum requirements stipulated by the ROD for Markley Cove it will be found non-responsive.

**Important Re: Steele Park** – See Part 3 Section O for specific information and discussion regarding Steele Park’s special assessment for municipal water and wastewater system.

**Important Re: Year Around vs. Seasonal Facilities** – Reclamation strongly believes that visitor facilities and services at Lake Berryessa should have a mixture of seasonal and year around operations that reflect the expectations of the public. It is certainly appropriate to consider having some functions available only during a time of high demand. However, there will be a demand for some lodging, RV and camping, food & beverage, marina and associated support functions throughout the year. Offerors should indicate the intended season of their proposed business operations. For offeror’s submitting multiple or combined proposals it should be relatively simple to address how the public will be served during shoulder and off seasons throughout the combined proposed operations. For offerors submitting a single proposal on one location they will need to develop their seasonal approach without the benefit of having any control or knowledge of the available facilities and services at the 6 other locations. Reclamation intends to evaluate this need in a fairly flexible manner. Individual offerors may want to include some wording in their proposal that indicates a willingness to determine opening and closing dates as a part of the final negotiation process when consideration can be given to all the offerors and how the public can best be served. It could have negative impacts on the profitability of an operator to either be open too long during the year when adequate demand does not exist for certain functions. At the minimum, if an operator has a marina with slip rentals, a year around coverage to insure availability and security of those assets need to be available. This is another of the many aspects of this prospectus that is complicated by the flexible bidding approach. Offerors need to give critical consideration to how they will address this issue in their pro-forma’s. Furthermore it is likely that business during shoulder and off seasons will expand each year as the public discovers the new business environment at Lake Berryessa and as concessionaires mount effective marketing programs to address the non-core season. At a minimum, all offerors should indicate a willingness to be flexible on this matter as it will be a factor on any eventual concession contracts established as a result of this prospectus.

## **Criterion B2 (e) Area Resources Training (4 Value Pts.)**

How will you train your employees to interpret and provide information to visitors about area resources and the purpose and significance of the area of operation, surrounding areas, and Reclamation?

## **Criterion B2 (f) Thematic Merchandising (4 Value Pts.)**

Reclamation wishes to provide gift and souvenir operations that focus on area-related themes. Merchandise should enhance appreciation and understanding of the area of operation and Reclamation, the significance of the natural world and the environment, and set a model of environmental responsibility. The offeror is required to develop a Gift Shop Merchandising Plan that will become a part of the concession contract. This plan shall ensure that gift merchandise to be sold or provided reflects the significance of the location, including conservation of resources, geology, wildlife, local Native American culture, local ethnic culture, and historic significance. Review the following documents for some ideas on themes for Lake Berryessa:

- Section E. of PART 6-ExB of this Prospectus.
- Visitor Exhibit Design Plan at the Lake Berryessa Prospectus website.

Submit a Gift Shop Merchandising Plan showing your plans for achieving this goal. How will you approach developing appropriate retail themes and decor as well as the necessary policies and sources of merchandise to successfully effect this continual change? Include specifically how you will acquire and present merchandise that reflects the purpose and significance of the Lake Berryessa Area.

Please review PART 6 - Exhibit N (Thematic Merchandising). This Exhibit presents some philosophies and ideas to help offerors focus on 'Thematic Retail approaches.

Provide ideas or sample products or descriptions of interpretive methods, media, and material you propose to provide.

The Gift Shop Merchandising Plan should address the following objectives and requirements:

1. The images of the Lake Berryessa Area and the gift shops are intertwined; the shops, in terms of both merchandise and personnel, are a front-line of Reclamation's interaction with its visitors and should exemplify quality and professionalism. The concession contractor will continue training retail personnel to be aware of the sources (when important), quality, and authenticity (when appropriate) of merchandise items. Themes and categories will be identified through consultation with Reclamation's staff and the concession contractor's staff to guide in the implementation of this objective.
2. To the greatest extent possible, gift and souvenir items will have an identifiable relationship to the Lake Berryessa Area and the environs, the natural and cultural history, or other related topics. Some possible themes are:

<b>Scenery</b>	■	Mountain, Riparian and Botanical features of the Lake Berryessa Area
	■	Skies.
<b>Geology</b>	■	Geologic history.
	■	Mineral and rock samples.

<b>Life Communities</b>	<ul style="list-style-type: none"> <li>■ Balance and interdependence of life forms.</li> <li>■ Area flowers, trees, etc.</li> <li>■ Area animals, birds, fisheries.</li> </ul>
<b>Settlement of The Area</b>	<ul style="list-style-type: none"> <li>■ Native Americans in the LB Area.</li> <li>■ European Americans and other Explorers/Pioneers in the LB Area.</li> </ul>
<b>Area Experience</b>	<ul style="list-style-type: none"> <li>■ Enjoying the special attributes of Lake Berryessa.</li> <li>■ Activities at and around Lake Berryessa</li> <li>■ Fishing</li> <li>■ Boating</li> <li>■ Wine Industry</li> </ul>
<b>Environmental Topics</b>	<ul style="list-style-type: none"> <li>■ General topics and issues of importance to all areas, (e.g., air quality, water quality, and waste disposal).</li> <li>■ Relationship between areas and their environs, role of areas as indicators of this relationship.</li> <li>■ Environmental ethics.</li> </ul>

3. Handcraft items or other products representing area and regional themes will be encouraged and sought; conversely, handcraft items from other regions of the United States are discouraged.
4. When possible and appropriate, informational hang tags will be attached to sales items in an interpretive or educational effort to illustrate the relationship of the item to one or more of the specific themes.
5. Gifts and souvenirs representing the desired themes will be sought within a broad price range, providing visitors the opportunity for various purchases. When appropriate, fine art may be included within the concession contractor's sales inventory.
6. The concession contractor has the responsibility to select specific merchandise that complies with this Merchandising Plan and the general Reclamation merchandising guidelines. Reclamation recognizes that purchasing and merchandising new inventory will be phased, and that items that do not sell, regardless of how well they support area themes, need not be offered for sale or reordered.
7. The above objectives are for gift and souvenir sales items. It is recognized that the concession contractor may also sell groceries, camping equipment, marina and boating supplies, activity items, clothing, sundries, and other general merchandise necessary and appropriate to meet the needs of visitors.

**PRINCIPAL FACTOR 3**

**THE EXPERIENCE AND RELATED BACKGROUND OF THE OFFEROR, INCLUDING THE PAST PERFORMANCE AND MANAGEMENT EXPERTISE OF THE OFFEROR RELEVANT TO PROVIDING THE SAME OR SIMILAR VISITOR SERVICES AS THOSE SPECIFIED IN THIS PROSPECTUS AND THE DRAFT CONCESSION CONTRACT.**

**(Total Available Value Pts. for Principal Factor # 3 = 18)**

Using the following format and instructions, clearly identify the business organization and all key individuals that will be involved in management of the proposed concession operation. Include any additional information that you feel necessary to make the relationships clear. Each of the following components should be addressed to present the information requested in this section.

**[NOTE TO THE OFFEROR: No sub-concessionaires are permitted. The selected offeror will be entirely and exclusively responsible for providing all concession services and operating all concession facilities. Once the successful offeror has entered into a concession contract with Reclamation, it will not be permitted to sell the concession contract to another entity without Reclamation’s approval. No successor will be approved unless it meets all of the qualifications described in this Prospectus.]**

**Criterion B3 (a) Business Structure (3 Value Pts.)**

Identify the legal structure of the offeror’s organization. Indicate how long this business organization has been in existence or whether it will be organized specifically to operate the concession.

Enter the following information for your business organization:

1. Name: \_\_\_\_\_
2. Present address: \_\_\_\_\_  
\_\_\_\_\_
3. Contact person: \_\_\_\_\_
4. Present telephone number: \_\_\_\_\_
5. FAX number: \_\_\_\_\_
6. Website and Email address: \_\_\_\_\_
7. Type of Business Organization (Check One or explain)  
Corporation \_\_\_\_\_  
Partnership \_\_\_\_\_  
Individual \_\_\_\_\_  
Sole Proprietorship \_\_\_\_\_  
Other \_\_\_\_\_
8. Ownership:

Names and Addresses of Owners (Corp: Show Controlling Interest; Close Corp: Show All)	Number and Type of Shares or Percentage of Ownership	Total Current Value of Investment
TOTAL OF ALL OWNERS		
TOTAL SHARES OUTSTANDING		

9. If a corporation, list the names, addresses, and titles of corporate officers and the names and affiliations of the members of the Board of Directors:

Name	Address	Title

10. State of incorporation: \_\_\_\_\_

11. The following attachments must be provided as applicable for offerors and concession contractors who are corporations:

- a. Articles of Incorporation.
- b. Bylaws.
- c. Certificate from the State of incorporation indicating that the corporation is in "good standing."

12. The following attachments must be provided as applicable for offerors and concession contractors who are partnerships:

- a. Partnership agreements or joint venture agreements.

13. If the entity that is to be the concession contractor is not formally in existence as of the time of submission of the Proposal, demonstrate that the individual(s) or Organization(s) that intend(s) to establish the entity that will become the concession contractor has (have) the ability and is (are) legally obligated to create and participate in managing the entity. This can be done by providing a narrative explanation at this spot in the order of

information provided by the offeror and by including appropriate attachments similar to those outlined for Corporations and Partnerships as applicable.

14. Have the offeror or the principals ever defaulted or been issued a notice of default or been terminated from a management or concession contract or been forbidden from contracting by a public agency or private company? If the answer is yes, provide full details of the circumstances.

YES  No

15. Describe any filings for bankruptcy, fines, or penalties levied by Government agencies, including but not limited to any and all legal proceedings against the offeror (or its principals) that are related to the offeror's (or its principals) past performance in providing facilities and services similar to those described in the Prospectus. Include the date of those occurrences and all related information.
16. The entity that will operate the concession services must provide a clear, complete, and understandable **internal organizational chart**. In addition, an **external organizational chart** must show the relationship between the entity that will operate the concession service and any superior organization(s), all subsidiaries or affiliates, and any parent organization with management, financial, or legal relationships to that entity. Show the lines of authority between individuals within all the business organization(s) in full. Within both organization charts, show the names of individuals, as well as titles. Include resumes for those individuals, indicating their relevant experience.

### **Criterion B3 (b) Management Capability (15 Value Pts.)**

Reclamation is seeking a business organization(s) that has experience in managing the types of services outlined in the ROD and this Prospectus and as described in the offeror's proposal package. Describe the ownership, management, legal, and financial relationship and structure of the business organization(s) that would provide the concession services. Clearly identify any related subsidiaries, affiliates, parent, or superior business organizations that will have a substantial role in managing, directing, operating, or otherwise carrying out the services to be provided. If the business organization is to be created, describe any performance guarantees that will be provided.

Demonstrate the offeror's competence to manage and operate the specific types of business activities proposed. Provide a short narrative discussion that summarizes the relevant background and experience of your organization as it relates to your proposed operations and respond to the following:

1. Identify and describe specific examples of previous and current business operations conducted by the offeror that demonstrate any current or previous relevant experience.
  - a. Which key individuals proposed for active management in this concession operation are or have been involved in those previous or current operations? Indicate dates that subject individuals have served in the identified capacity and their job titles.
  - b. Include the names and telephone numbers of references able to testify to your organizations' and key individual's performance in those previous or current operations.

- c. Describe involvement in any Federal or other Public Agency concession operation and provide the name, address and phone number of an agency person that would be aware of your organizations' performance.
2. Identify all individuals who will provide key management or other functions in the concession operations. Provide detailed resumes for each.
  - a. Identify the specific role the individual is to play and describe that person's qualifications to play that role.
  - b. Include the names and telephone numbers of references able to testify to the performance of the key individuals in those previous or current operations.
  - c. When discussing individuals' work experience, be specific about:
    - Size of operation.
    - Dates of engagement.
    - Location of operation.
    - Specific duties.
    - Number of people supervised.
  - d. Describe the individuals':
    - Training.
    - Education. Qualifications, courses, designations, ratings, and licenses obtained.
3. Provide an **organizational chart for on-site employees** indicating the lines of authority between departments or functional areas and managers.
  - a. Include all key managerial and on-site managerial positions (planning, legal, finance, administration, operations, maintenance, etc.). Provide names and resumes of individuals, as described above. If the specific responsible individuals have not yet been identified, identify positions and duties to be performed.
  - b. Describe the decision making authority to be delegated to the on-site manager(s) and retained in a central headquarters (if any). Who will be the local management decision maker? With whom will Reclamation deal regarding day-to-day operations and issues?
4. Describe key aspects of your management structure and system.
  - a. Indicate the number of employees in each department and provide summary descriptions of basic functions where the basic functions are not obvious by title. In addition, provide a description of any training programs to be used to ensure core competency and provide opportunities for advancement of employees.
  - b. Provide proposed wage levels and estimated hours per week for each position or group of positions.
  - c. What standards or procedures will you apply to the pre-screening, training, termination, and hiring of personnel? (Describe application procedures, drug testing, law enforcement clearances, reference checks, interview requirements, etc.)

- d. Describe how you intend to initiate and maintain a drug-free environment and eliminate substance abuse in your work force. What will you do to identify individuals who abuse drugs or alcohol? How will you initiate a drug abuse and alcohol abuse educational program? What type of referral- for-treatment program will you provide? What types of commitment do you or will you propose to help those who need assistance?
- e. How will you train your employees and set standards and training to achieve those standards, including ensuring that your employees will be hospitable and exercise courtesy and consideration in their relations with the public?
- f. How will you achieve a constant standard level of knowledge among the staff about the area (for example, Lake Berryessa) and its rules, regulations, and special programs?
- g. If the concession, or parts of it, will be making a significant phase-up in operations after a period of closure or near closure, such as winter shutdown, describe the training program that will prepare the staff for reopening the business.

## **PRINCIPLE FACTOR 4**

### **THE OFFEROR'S UNDERSTANDING OF THE FINANCIAL NEEDS OF THE BUSINESS AND THE FINANCIAL CAPABILITY TO MEET THE NECESSARY FINANCIAL OBLIGATIONS (Total Evaluation Points for Principle Factor # 4 = 57)**

*The purpose of Principal Factor 4 is to establish certain information through responses to a series of questions that may be confirmed through reference checks, thus establishing compelling evidence of credibility and financial capability of the offeror. Financial commitments are often presented as being much firmer than they actually are; therefore, the reference check is very important. Collateral offered may actually be committed to other obligations and not truly available. Moreover, personal net worth offered to back the proposed venture is often neither as great nor as liquid as claimed, or it may be in the possession of people who are not as committed to the venture as asserted in the proposal. Reference checks are the only way to verify such information.*

**Note:** In the event the Offeror is not the legal entity who is to be the Concessioner, provide the information described below with respect to both the Offeror, including all partners in a joint venture, and the proposed Concessioner. Also describe the Offeror's financial relationship to the proposed Concessioner.

#### **Criterion B4 (a): Financial Health and History of Meeting Financial Obligations (5 Value Pts.)**

Demonstrate that you are financially sound and have a history of meeting your financial obligations by providing the following:

1. The completed Business Credit Information form provided at the end of this section (Principal Factor 4 - Attachment No. 1).
2. Audited financial statements for the two most recent fiscal years, with all notes to the financial statements. Financial statements should be provided for the offeror AND all parent companies. Personal financial statements must be provided for any owners of a sole proprietorship or general partners within a partnership.
3. A CURRENT credit report (within the last six months) from a major credit reporting company such as Equifax, Experian or Dunn & Bradstreet.

#### **Criterion B4 (b): Understanding of Financial Obligations and Operations Needs (5 Value Pts.)**

Demonstrate your understanding of the financial obligations of the specific and unique business operations that you are proposing in this response for Lake Berryessa by providing the following:

Provide your estimate of the acquisition and start-up costs of your proposed business using the Acquisition and Start-Up Cost form included at the end of this section (Principal Factor 4 – Attachment No. 2). Explain fully the methodology and the assumptions used to develop the estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.

**Criterion B4 (c): Funding and Sources of Funds (5 Value Pts.)**

Demonstrate your ability to obtain the required funds by providing the following:

Identify the source(s) of the funds previously presented in your response to Criterion B4 (b). Provide compelling documentation of your ability to obtain the funds from these sources. Explain fully the financial arrangements you propose, using the following guidelines:

1. Document each source and availability of all funds with your current audited financial statements, financing agreements, letters of commitment, or similar supporting documents.
2. If funds are to be obtained from lending institutions (banks, savings and loans, etc.), include a letter that has been sent by you to any specific lender (containing all appropriate bank contact information) permitting the lender to release any information to Reclamation concerning the financing arrangements of this opportunity and your specific proposal. Include the contact name of the institution official who Reclamation may contact in the letter or identify that person and his/her phone number when responding to this Criterion.
3. If funds are to be obtained from an individual or a corporation whose primary fund source is an individual, provide the following as appropriate:
  - a. Current personal financial statement for the primary source of funds.
  - b. Documentation of any assets to be sold.
  - c. Written funding commitment from the individual or corporation.
  - d. Any other assurances or documentation that makes a compelling demonstration that the funds are available.

**Criterion B4 (d): Financial Viability of the Proposal (15 Value Pts.)**

Using the forms located at the end of this section (Principal Factor 4 – Attachment No. 3), follow the six guidelines below and provide projected estimates of the revenues and expenses of your proposed Concession business in the form of annual prospective: (1) Income Statement, (2) Balance Sheet/Cash Flow statements, and (3) Operating Assumptions; **for the entire term of the contract proposed by you.** Reclamation has provided forms that request the information in the format that Reclamation desires. These forms may differ from the format and requirements set forth in generally accepted auditing standards (GAAS) with regard to prospective financial statements. Reclamation does NOT request that the prospective financial statements be reviewed in accordance with GAAS. In situations where the information requested departs from GAAS, Reclamation requests that the information be provided in the format requested and NOT in conformance with GAAS.

Additional instructions regarding the forms:

1. Specify and incorporate the annual inflation rate and estimates of real growth you anticipate.
2. You may expand on the information requested on the form but do not change the order of items. If you wish to provide additional information, do so by adding on to the sections provided or in additional spreadsheets, outside of the ones provided. If you wish, an Excel Spreadsheet can be established to provide your information in the order displayed here. If additional information is provided, clearly identify how it fits into the income statement, cash flow, and/or assumption

tables. If there are areas on the form where you have no information to enter, just signify by placing an 'NA' for 'Not Applicable' in that spot. Identify the fiscal year beginning and end dates (month and day) that the offeror proposes to operate within.

3. Fully explain the method of preparing the estimates and the assumptions on which your projections are based. Information must be sufficiently detailed to allow a reviewer to determine the basis for the estimates and make a determination of whether or not the projections are realistic.
4. In particular, if you intend to assess a Management Fee, or other form of corporate overhead and profit, you must CLEARLY describe what this fee is comprised of (Officers' salaries, human resources, accounting, marketing, profit, etc.).
5. Complete all of the forms provided and submit both hard copy **and** Excel Spreadsheet files. Failure to provide all of the information requested on these forms may result in a reduced score. Use the outline included in the Operating Assumptions – Prospective Income Statement form. Revenue estimates should be provided by department, and should calculate directly from the bases presented. The financial basis of any projections that show significantly increased revenues and/or decreased expenses from the projections provided in the Prospectus must be fully explained.
6. Only projected receipts and expenses related to the services "required" by the Contract are to be included in your prospective statement. Your response must also identify who prepared the estimates and their qualifications to do so.

### **Special Notes to This Section**

1. Reclamation realizes that this flexible approach will likely result in the introduction of numerous business proposals that may not neatly fit in the categories provided in the forms at the end of this section. Offerors may establish or build-in additional areas within the forms to enter information that they believe necessary for Reclamation to fully understand their unique business proposal for Lake Berryessa; however, offerors should use the basic format provided and at a minimum provide all of the type of information requested in this section of the Prospectus.
2. As a part of the review and rating of all proposals, Reclamation intends to have a financial 'Subject Matter Expert' as a part of the rating panel to specifically analyze all of the above discussed information and business pro-forma's as it applies generally within the Recreation Hospitality Industry and specifically to the individual offeror's proposal for Lake Berryessa. Financial proposals that are determined to demonstrate returns and general financial health that are not well-supported and/or that present projected returns in excess of reasonable business expectations will not be rated as high as those that provide well documented and supportable business levels based upon the offeror's unique proposal.

**BUSINESS CREDIT INFORMATION  
(PRINCIPAL FACTOR 4 – ATTACHMENT NO. 1)**

1. Has Offeror ever defaulted from or been terminated from a management or Concession Contract, or been forbidden from contracting by a public agency or private company?

YES                      NO

If YES, provide full details of the circumstances.

2. List any Foreclosures, Bankruptcies, and Transfers in Lieu of Foreclosure and/or Work-Out/Loan Modification Transactions during the past 10 years. (If none, so indicate)

Name of Property	City State	Property Type	Approximate Loan Amount	Lender	Year of Event

Attach an explanation of circumstances, including resolution, bankruptcy plan, and/or other documentation as appropriate.

3. Describe any fines or penalties levied by government agencies during the past 10 years (if none, so indicate) in regard to business operations under the management of principles of this Prospectus proposal.
4. Describe any pending litigation or current lawsuits (other than those covered adequately by insurance) which if adversely resolved would materially impact the financial position of the Offeror.

**ACQUISITION AND START-UP COSTS  
( PRINCIPAL FACTOR 4 – ATTACHMENT NO. 2)**

**Acquisition Cost<sup>1</sup>** \$ \_\_\_\_\_

Possessory Interest (Buildings and Structures) \$ \_\_\_\_\_

Other Incumbent Concessioner Property

Furniture, Fixtures and Equipment \$ \_\_\_\_\_

Merchandise and Supplies \$ \_\_\_\_\_

**Immediate Purchase of New Items** \$ \_\_\_\_\_

Furniture, Fixtures and Equipment \$ \_\_\_\_\_

Merchandise and Supplies \$ \_\_\_\_\_

**Initial Improvements** \$ \_\_\_\_\_

Initial Replacement of Real Property<sup>2</sup> \$ \_\_\_\_\_

Deferred Maintenance<sup>2</sup> \$ \_\_\_\_\_

**Other Soft Costs<sup>3</sup>** \$ \_\_\_\_\_

**Initial Working Capital** \$ \_\_\_\_\_

**Total Acquisition Cost** \$ \_\_\_\_\_

(1) All Offerors must include their estimate of the value of all property intended, whether planned for acquisition or currently owned, for use in the new contract.

(2) If applicable

(3) Provide detail.



**PROSPECTIVE INCOME STATEMENT  
 PROSPECTIVE BALANCE SHEET &  
 PROSPECTIVE OPERATING ASSUMPTIONS  
 (PRINCIPAL FACTOR 4 – ATTACHMENT NO. 3)**

Annual Projections, by Concession Area, by Year, for the Term of the Proposed Contract  
 (Putah Creek = PC, Rancho Monticello = RM, Berryessa Marina = BM, Spanish Flat = SF, Steele Park = SP,  
 Pleasure Cove Marina = PCM, Markley Cove = MC)

**INCOME STATEMENT**

<b>Gross Receipts</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Lodging							
Annual occupancy							
Hotel/Motel							
Cabin							
Other							
Marinas							
Slip Rentals							
Boat Launch							
Marine Fuel							
Houseboat Rental							
All Other Boat Rental							
Other							
Dry Storage							
Covered Garages							
Outside Storage							
Other							
Food and Beverage							
Full Service Restaurant							
Snack Bar/Fast Food							
Other							

Retail

- Gift Merchandise
- Marina & Boating Supplies
- Camping & RV Supplies
- Groceries & Sundries
- Other

Camping

- Tent Camping
- RV Camping with Utilities
- RV Camping w/o Utilities
- Other

Day Use Facilities

Other categories may be added.

<b>Total Gross Receipts</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Cost of Sales</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Lodging							
Marinas							
Dry Storage							
Food and Beverage							
Retail							
Camping							
Day Use Facilities							
Other Categories (Identify)							
<b>Total Cost of Sales</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>GROSS PROFIT</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>

<b>Direct Expenses</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Lodging							
Wages							
Taxes & Benefits							
Other Direct							
(specify line items in assumptions)							
Marinas							
Wages							
Taxes & Benefits							
Other Direct							
(specify line items in assumptions)							
Dry Storage							
Wages							
Taxes & Benefits							
Other Direct							
(specify line items in assumptions)							
Food and Beverage							
Wages							
Taxes & Benefits							
Other Direct							
(specify line items in assumptions)							
Payroll and Benefits							
Other Direct Expenses							
Retail							
Wages							
Taxes & Benefits							
Other Direct							
(specify line items in assumptions)							
Camping/Day Use							
Wages							
Taxes & Benefits							

Other Direct  
(specify line items in assumptions)

Day Use Facilities

Wages

Taxes & Benefits

Other Direct

(specify line items in assumptions)

Other Categories

Wages

Taxes & Benefits

Other Direct

(specify line items in assumptions)

<b>Total Direct Expenses</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
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<b>Undistributed Expenses</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
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Administrative and General  
(Payroll, Taxes and Benes)

Administrative and General  
(Other)

Marketing

Repair and Maintenance

Utilities

Management Fee

<b>Total Undistributed Expenses</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
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**Fixed Expenses**

Property Taxes

Insurance

Franchise Fees

Repairs and Maintenance Reserve

Capital Lease

Personal Property Replacement

Other

<b>Total Fixed Expenses</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>EBITDA</b>							
Interest Expense							
Depreciation							
Amortization							
<b>Net Profit Before Taxes</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Income Tax</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Net Income</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>



**PROSPECTIVE BALANCE SHEET  
(PRINCIPAL FACTOR 4 – ATTACHMENT NO. 3)**

Annual Projections, by Concession Area, by Year, for the Term of the Proposed Contract  
(Putah Creek = PC, Rancho Monticello = RM, Berryessa Marina = BM, Spanish Flat = SF, Steele Park = SP,  
Pleasure Cove Marina = PCM, Markley Cove = MC)

**ASSETS**

<b>Current Assets</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Cash							
Inventories							
Other							
<b>Total Current Assets</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Fixed Assets</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Depreciable Fixed Assets (Structures and Improvements)							
Accumulated Depreciation Depreciable Fixed Assets (Personal Property)							
Accumulated Depreciation Other							
<b>Total Fixed Assets</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Other Assets (Identify)</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Total Assets</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>

<b>Current Liabilities</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Current Liabilities							
Accounts Payable							
Current Maturities on							
Long Term Debt							
Other							
<b>Total Current Liabilities</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Long Term Liabilities</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Long Term Debt							
<b>Total Long Term Liabilities</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Equity</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Stock Proprietor's Capital							
Retained Earnings							
<b>Total Equity</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Total Liabilities and Equity</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>

**OPERATING ASSUMPTIONS – PROSPECTIVE INCOME STATEMENT  
(PRINCIPAL FACTOR 4 – ATTACHMENT NO. 3)**

Annual Projections, by Concession Area, by Year, for the Term of the Proposed Contract  
(Putah Creek = PC, Rancho Monticello = RM, Berryessa Marina = BM, Spanish Flat = SF, Steele Park = SP,  
Pleasure Cove Marina = PCM, Markley Cove = MC)

<b>REVENUE INFLATION</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>EXPENSE INFLATION</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
<b>Short Term Lodging</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Cabins, Hotel/Motels, Cottages, etc.							
Number of Rooms Rented							
Average Room Rate							
<b>Annual Occupancy Lodging</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Number of Units Rented							
Average Unit Rate							
<b>Marinas</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Number of Slip Months Rented							
Average Monthly Rate for Rental Slip							
Number of Houseboat Days Rented							
Average Daily Houseboat Rate							
Number of Other Boat Days Rented							
Average Daily “Other Boat” Rate							
Number of Annual Boat Launch Passes							
Cost of Annual Boat Launch Pass							

Number of Boat Launches not on Annual Pass  
 Average Cost of Boat Launch

Number of gallons of Marine Fuel Sold  
 Average Rate for Gallon of Fuel

<b>Food &amp; Beverage</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Number of Covers Sold by Meal Period by Location							
Average Check per Cover by Meal Period by Location							

<b>Retail</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Number of Customers							
Average Retail Revenue per Customer							

<b>Dry Storage</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Number of Storage Months Rented in Garage							
Average Monthly Rate of Garage Rental							

Number of Unit Months for Outside Storage  
 Average Monthly Rate for Outside Storage

<b>Camping RV</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Number of Campsite Nights Rented (w/o hook-ups)							
Average Nightly Campsite Rate							

Number of RV Nights Rented (with hook-ups)  
 Average Nightly RV Rental Rate

<b>Day Use</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Number of Day Use Permits sold							
Average Day Use Fee							

<b>Other (Identify)</b>	<b>PC</b>	<b>RM</b>	<b>BM</b>	<b>SF</b>	<b>SP</b>	<b>PCM</b>	<b>MC</b>
Anything else not covered above that you have proposed and can outline projected revenue.							

## **Criterion B4 (e) Successful Multiple Proposals (0 to 27 Value Pts.)**

Throughout the EIS and Planning process for the upcoming next contract term Reclamation has been clear and consistent in the stated preference to have fewer than the current number of seven concession contractors. This preference is based upon the following assumptions:

1. The business opportunity is more robust and healthier if a concession contractor(s) is operating multiple locations. Overhead is reduced and several business efficiencies are introduced that result in a better profit potential for an operator. Any improvement to a concession contractor's profit potential also reduces the need to propose an 'Annual Occupancy' program as outlined in the ROD and in Criterion B.2.(d) preceding. Reclamation's contracted Economic Feasibility Analysis indicated that financial success was questionable with multiple concessionaires operating independent businesses at Lake Berryessa and that the best opportunity existed with a single concessionaire and the associated business efficiencies. Reclamation continues to have concerns with the opportunity for multiple operators to be financially successful and this Criterion and the additional points for multiple proposals is appropriate to address that concern.
2. The ability for an offeror to respond positively to the ROD's preference for an integrated business approach (also outlined in Criterion B.2 [d] preceding) is enhanced by an offeror who also submits additional individual or combined proposals. An offeror competing for only a single location has limited opportunity to address or impact the overall mix of concession services and facilities at Lake Berryessa through this prospectus.
3. The potential for an offeror to phase in various construction program components in a multi-location coordinated approach that impacts public use in a more subtle manner is enhanced by an operator that is administering more than one location. Reclamation's contracted Economic Feasibility Analysis indicated that phasing in development would be important in helping to assure financial viability.

Any offeror that submits a combined or multiple individual proposals versus offerors that submit one single proposal are also taking on a greater initial investment risk and more complex management burden. The more locations an individual or company competes for, the greater the risk and complexity i.e. a company competing for 5 locations is potentially assuming a somewhat greater burden than a company competing for 3 locations.

Therefore in recognition of the preceding 3 positive factor concerns for submitting proposals on and potentially operating multiple locations, and in recognition of the increased financial requirements and management challenges, Reclamation will provide added 'Value Points' to bona fide proposals that include multiple locations. These added 'Value Points' are on an escalating basis as outlined in the following 'Scoring Options' examples. A bona fide proposal will be one that is judged by Reclamation, during the evaluation process, to be a proposal that is economically feasible and is otherwise judged responsive and in compliance with all of the requirements outlined in Part A and Part B of this section (PART 5) of the Prospectus.

### Scoring Options for Offerors Competing for Multiple Locations

Competing for 1 Location = 0 Pts  
Competing for 2 Locations = 2 Pts.  
Competing for 3 Locations = 5 Pts.  
Competing for 4 Locations = 9 Pts.  
Competing for 5 Locations = 14 Pts.  
Competing for 6 Locations = 20 Pts.

Competing for 7 Locations = 27 Pts.

These points will be assigned to each proposal and property being compared that an individual offeror submits whether combined or individual.

*Example #1: Offeror A submits 4 individual (not 4 combined) proposals and they are each judged to be economically feasible and responsive to the prospectus. This offeror would receive 9 'value points' on this Criterion B.4.(e) on each of their 4 individual proposals. IF one of the 4 individual proposals was judged to be either economically unfeasible or non-responsive in some other manner then the offeror would only receive 5 'value points' on each of the three responsive proposals.*

*Example #2: Offeror B submits a single consolidated proposal (not 5 individual proposals) that covers 5 of the identified concession areas. If this proposal is judged to be economically feasible and responsive to the prospectus then this proposal would receive 14 'value points' on this Criterion B.4.(e). This also means that when Reclamation is comparing any one of the 5 locations in Offeror B's proposal i.e. Spanish Flat, against any other individual or combined offeror that also including Spanish Flat, that the same 14 points apply.*

*Further Explanation: If the above two examples are combined and compared against one another and both Offeror A and B's proposal includes a component for Spanish Flat and they are all judged responsive and feasible then Offeror A will get the 9 'Value Points' in that comparison for competing for 4 locations and Offeror B will get 14 'Value Points' for competing for 5 locations. If all the remainder of the possible points totaled the same then Offeror B would have an overall score of 5 points higher on the Spanish Flat component. The same scenario would hold true for rating each of their other individual or combined proposal components for locations they have both submitted for or in comparison to others with any of the same locations for which they have submitted.*

As already outlined in this section and elsewhere in the prospectus the opportunity to be considered for just a single concession opportunity is a valid and acceptable approach and there is no deduction in points for such a proposal. This single proposal opportunity is covered as an acceptable approach in the ROD. It is recognized that many offerors may not have the financial assets or the operational desire to make a proposal for more than a single operation and such an approach is welcome. The extra 'Value Points' available in this Criterion B.4.(g) range between 0 points and 27. The extra 'Value Point' opportunity for offerors on multiple properties recognizes the three concerns identified above in this criterion and the added managerial effort and financial risk assumed by any such offeror.

#### **Final Note to Principal Factor #4**

Because of Reclamation's concerns regarding the financial viability the financial pro forma's of all offerors will be closely evaluated to verify that a proposal actually represents a reasonable chance of financial success. Proposals that do not demonstrate financial viability when evaluated against known industry standards and performance of other similar business opportunities may be judged non-responsive.

## **PRINCIPAL FACTOR 5**

### **FINANCIAL BENEFIT TO THE GOVERNMENT (Total Evaluation Points for Principle Factor # 5 = 5)**

**Criterion B5 (a) Franchise Fee (5 Value Pts.)** – Offerors are expected to propose a franchise fee level as a part of their proposal. Not only do offerors need to propose a franchise fee, but they also need to provide a well-developed and defensible discussion on how and why they arrived at their position. Reclamation will consider a wide range of franchise fee approaches including a fee of 0 percent (zero percent) if properly supported.

Franchise fees due the Government are secondary in importance to the appropriate development of facilities, provision of services to the public, and a reasonable opportunity for a concession contractor to realize a profit. Reclamation recognizes there will be demands on a new concession contractor(s) at Lake Berryessa to provide funding for various improvements that will be proposed by any successful offeror(s). Everything being equal between two proposals, a higher franchise fee will be considered a better proposal than a lower fee. Reclamation will very closely review franchise fee proposals in conjunction with the overall financial pro-forma's submitted in response to this Prospectus. Proposals that are judged to be unsupported or economically infeasible may be found non-responsive in total or at the least be rated much lower than proposals judged to be economically reasonable. It should be apparent that this Principal Factor is closely tied to the preceding Principal Factor 4 and will be evaluated in based, in part, on the overall financial picture and the services and facilities proposed.

The response to this Prospectus may also specify an opportunity for the offeror to propose a tiered franchise fee. That is, the fee might be at a lower level for revenues up to a certain amount, then at an increased level for revenues over a certain amount. This would allow concession contractors to minimize their risk while also allowing Reclamation to benefit from higher-than-expected concession revenues.

Please review Section 14 of PART 4 and Section 6.A of the Draft Concession Contract (PART 6) for additional background on this Principal Factor subject.